

**Executive Summary – Enforcement Matter – Case No. 50736**  
**Houston Refining LP**  
**RN100218130**  
**Docket No. 2015-0959-AIR-E**

**Order Type:**

1660 Agreed Order

**Findings Order Justification:**

N/A

**Media:**

AIR

**Small Business:**

No

**Location(s) Where Violation(s) Occurred:**

Houston Refining, 12000 Lawndale Street, Houston, Harris County

**Type of Operation:**

Petroleum refining plant

**Other Significant Matters:**

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

**Texas Register Publication Date:** December 4, 2015

**Comments Received:** No

***Penalty Information***

**Total Penalty Assessed:** \$13,125

**Amount Deferred for Expedited Settlement:** \$2,625

**Amount Deferred for Financial Inability to Pay:** \$0

**Total Paid to General Revenue:** \$5,250

**Total Due to General Revenue:** \$0

Payment Plan: N/A

**Supplemental Environmental Project ("SEP") Conditional Offset:** \$5,250

Name of SEP: Texas City Independent School District (Third-Party Pre-Approved)

**Compliance History Classifications:**

Person/CN - Satisfactory

Site/RN - Satisfactory

**Major Source:** Yes

**Statutory Limit Adjustment:** N/A

**Applicable Penalty Policy:** April 2014

***Investigation Information***

**Complaint Date(s):** N/A

**Complaint Information:** N/A

**Date(s) of Investigation:** March 23, 2015 through April 6, 2015

**Date(s) of NOE(s):** June 12, 2015

**Executive Summary – Enforcement Matter – Case No. 50736**  
**Houston Refining LP**  
**RN100218130**  
**Docket No. 2015-0959-AIR-E**

***Violation Information***

Failed to prevent unauthorized emissions. Specifically, the Respondent released 12,237 pounds ("lbs") of sulfur dioxide, 132.9 lbs of hydrogen sulfide, 57.99 lbs of nitrogen oxides, 402.70 lbs of carbon monoxide, 6.43 lbs of ethylene, 25.22 lbs of propylene, 9.69 lbs of cis-2-butene, 44.38 lbs of trans-2-butene, 0.65 lb of 1,3-butadiene, 24.75 lbs of hexanes, 1.63 lbs of benzene, and 396.93 lbs of volatile organic compounds from the 736 Coker Flare, Emission Point No. 736K0101A, during an emissions event (Incident No. 210263) that began on February 17, 2015 and lasted one hour and 12 minutes. The emissions event occurred due to an abnormally high amount of water introduced into the 736 Coker Gas Plant system creating an upset condition that led to flaring. Since the emissions event could have been avoided by better operational practices, the Respondent is precluded from asserting the affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a), and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Federal Operating Permit No. O1372, Special Terms and Conditions No. 26, and Flexible Permit Nos. 2167 and PSDTX985, Special Conditions No. 1].

***Corrective Actions/Technical Requirements***

**Corrective Action(s) Completed:**

The Respondent has implemented the following corrective measures at the Plant to prevent recurrence of emissions events due to the same or similar causes as Incident No. 210263:

- a. On February 17, 2015, repaired and reset the 736 Compressor Knockout Drum high level switch;
- b. On February 18, 2015, reviewed procedures for operation of the 736 Gas Plant with personnel; and
- c. On March 6, 2015, conducted field training with personnel concerning operation of the 736 Gas Plant, emphasizing on maintaining proper vessel levels and responding to high vessel levels.

**Technical Requirements:**

The Order will require the Respondent to implement and complete a SEP (see SEP Attachment A).

**Executive Summary – Enforcement Matter – Case No. 50736**

**Houston Refining LP**

**RN100218130**

**Docket No. 2015-0959-AIR-E**

***Litigation Information***

**Date Petition(s) Filed:** N/A

**Date Answer(s) Filed:** N/A

**SOAH Referral Date:** N/A

**Hearing Date(s):** N/A

**Settlement Date:** N/A

***Contact Information***

**TCEQ Attorney:** N/A

**TCEQ Enforcement Coordinator:** Amancio R. Gutierrez, Enforcement Division, Enforcement Team 5, MC 149, (512) 239-3921; Melissa Cordell, Enforcement Division, MC 219, (512) 239-2483

**TCEQ SEP Coordinator:** Stuart Beckley, SEP Coordinator, Enforcement Division, MC 219, (512) 239-3565

**Respondent:** Gregory A. Nevermann, Site Manager, Houston Refining LP, 12000 Lawndale Street, Houston, Texas 77017

Bob Gardner, Environmental Consulting Engineer, Houston Refining LP, 12000 Lawndale Street, Houston, Texas 77017

**Respondent's Attorney:** N/A



**Attachment A**  
**Docket Number: 2015-0959-AIR-E**  
**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>Houston Refining LP</b>
<b>Penalty Amount:</b>	<b>Ten Thousand Five Hundred Dollars (\$10,500)</b>
<b>SEP Offset Amount:</b>	<b>Five Thousand Two Hundred Fifty Dollars (\$5,250)</b>
<b>Type of SEP:</b>	<b>Contribution to a Third-Party Pre-Approved SEP</b>
<b>Third-Party Administrator:</b>	<b>Texas City Independent School District</b>
<b>Project Name:</b>	<b><i>TCISD Alternative Fuel School Bus Program</i></b>
<b>Location of SEP:</b>	<b>Houston-Galveston Airshed</b>

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project (“SEP”). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

**1. Project Description**

**a. Project**

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Texas City Independent School District** for the *TCISD Alternative Fuel School Bus Program* project. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the “Project”). Specifically, the SEP Offset Amount will be used to purchase lower-emission propane fueled school buses that are model year 2010 or newer (“Replacement Bus(es)”) to replace buses currently in the fleet that are model year 2006 or older (“Older Bus(es)”). The Older Buses will then be decommissioned, thus permanently removing them from the roads. The SEP Offset Amount shall only be used for the purchase of a base model propane fueled Replacement Bus. The Third-Party Administrator shall own and operate each Replacement Bus for at least five years following the date of purchase.

The Third-Party Administrator shall give preference to replacing the oldest, most polluting buses within its fleet. Only Older Buses that are currently in regular use, driven on a regular route on a weekly basis for at least the past two years are eligible for replacement.

The Third-Party Administrator shall ensure that each Replacement Bus purchased has an engine that meets the Environmental Protection Agency’s 2010 emissions standards. Additionally, all Older Buses that are replaced shall be fully decommissioned as required

Houston Refining LP  
Agreed Order - Attachment A

in the SEP Vehicle Disposition Form. All funds received for the scrap value of the Older Bus shall be deposited into the SEP Account and become part of the SEP. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of implementing the Project, including, but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director ("ED"), be applied to another pre-approved SEP.

The Respondent's signature affixed to this Agreed Order certifies that the Respondent has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

The Project will directly benefit air quality in Third-Party Administrator's region by reducing harmful exhaust emissions from older school buses by replacing them with lower-emission propane buses. Older school bus engines emit greater amounts of harmful pollutants such as nitrous oxides, particulate matter, volatile organic compounds, and carbon monoxide than newer, lower-emission buses. These pollutants contribute to the formation of ground level ozone which damages vegetation and ecosystems and may cause or exacerbate a number of respiratory diseases, including asthma, especially in children.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

## 2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Texas City Independent School District SEP** and shall mail the contribution with a copy of the Agreed Order to:

Texas City Independent School District SEP  
Attention: John Johnson, Consultant  
2901 Turtle Creek Drive, Suite 445  
Port Arthur, Texas 77642

### 3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality  
Enforcement Division  
Attention: SEP Coordinator, MC 219  
P.O. Box 13087  
Austin, Texas 78711-3087

### 4. Failure to Fully Perform

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP, shall make the check payable to "Texas Commission on Environmental Quality", and shall mail it to:

Texas Commission on Environmental Quality  
Litigation Division  
Attention: SEP Coordinator, MC 175  
P.O. Box 13087  
Austin, Texas 78711-3087

### 5. Publicity

Any public statements concerning this SEP and/or project, made by or on behalf of the Respondent must include a clear statement that **the project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

**6. Recognition**

The Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

**7. Other SEPs by TCEQ or Other Agencies**

The SEP Offset Amount identified in this Attachment A and in the attached Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.





# Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

**TCEQ**

<b>DATES</b>	<b>Assigned</b>	15-Jun-2015	<b>Screening</b>	25-Jun-2015	<b>EPA Due</b>	
	<b>PCW</b>	17-Sep-2015				

## RESPONDENT/FACILITY INFORMATION

<b>Respondent</b>	Houston Refining LP		
<b>Reg. Ent. Ref. No.</b>	RN100218130		
<b>Facility/Site Region</b>	12-Houston	<b>Major/Minor Source</b>	Major

## CASE INFORMATION

<b>Enf./Case ID No.</b>	50736	<b>No. of Violations</b>	1
<b>Docket No.</b>	2015-0959-AIR-E	<b>Order Type</b>	1660
<b>Media Program(s)</b>	Air	<b>Government/Non-Profit</b>	No
<b>Multi-Media</b>		<b>Enf. Coordinator</b>	Amancio R. Gutierrez
		<b>EC's Team</b>	Enforcement Team 5
<b>Admin. Penalty \$ Limit Minimum</b>	\$0	<b>Maximum</b>	\$25,000

## Penalty Calculation Section

<b>TOTAL BASE PENALTY (Sum of violation base penalties)</b>	<b>Subtotal 1</b>	\$7,500
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## ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

<b>Compliance History</b>	100.0% Enhancement	<b>Subtotals 2, 3, &amp; 7</b>	\$7,500
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Notes: Enhancement for three NOV's with same/similar violations, ten orders with denial of liability, and two orders without denial of liability. Reduction for two notices of intent to conduct an audit and one disclosure of violations.

<b>Culpability</b>	No	0.0% Enhancement	<b>Subtotal 4</b>	\$0
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Notes: The Respondent does not meet the culpability criteria.

<b>Good Faith Effort to Comply Total Adjustments</b>	<b>Subtotal 5</b>	-\$1,875
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<b>Economic Benefit</b>	0.0% Enhancement*	<b>Subtotal 6</b>	\$0
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Total EB Amounts: \$23  
Estimated Cost of Compliance: \$11,000  
\*Capped at the Total EB \$ Amount

<b>SUM OF SUBTOTALS 1-7</b>	<b>Final Subtotal</b>	\$13,125
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## OTHER FACTORS AS JUSTICE MAY REQUIRE

Reduces or enhances the Final Subtotal by the indicated percentage.

0.0%	<b>Adjustment</b>	\$0
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Notes:

<b>Final Penalty Amount</b>	\$13,125
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## STATUTORY LIMIT ADJUSTMENT

<b>Final Assessed Penalty</b>	\$13,125
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## DEFERRAL

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

20.0% Reduction	<b>Adjustment</b>	-\$2,625
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Notes:

Deferral offered for expedited settlement.

## PAYABLE PENALTY

\$10,500
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Screening Date 25-Jun-2015

Docket No. 2015-0959-AIR-E

PCW

Respondent Houston Refining LP

Policy Revision 4 (April 2014)

Case ID No. 50736

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100218130

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

## Compliance History Worksheet

## &gt; Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action ( <i>number of NOVs meeting criteria</i> )	3	15%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability ( <i>number of orders meeting criteria</i> )	10	200%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	2	50%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government ( <i>number of judgments or consent decrees meeting criteria</i> )	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government ( <i>number of counts</i> )	0	0%
Emissions	Chronic excessive emissions events ( <i>number of events</i> )	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which notices were submitted</i> )	2	-2%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 ( <i>number of audits for which violations were disclosed</i> )	1	-2%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 261%

## &gt; Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

## &gt; Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

## &gt; Compliance History Summary

## Compliance History Notes

Enhancement for three NOVs with same/similar violations, ten orders with denial of liability, and two orders without denial of liability. Reduction for two notices of intent to conduct an audit and one disclosure of violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, &amp; 7) 261%

## &gt; Final Compliance History Adjustment

Final Adjustment Percentage \*capped at 100% 100%

Screening Date 25-Jun-2015

Docket No. 2015-0959-AIR-E

PCW

Respondent Houston Refining LP

Policy Revision 4 (April 2014)

Case ID No. 50736

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100218130

Media [Statute] Air

Enf. Coordinator Amancio R. Gutierrez

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code §§ 101.20(3), 116.715(a), and 122.143(4), Tex. Health & Safety Code § 382.085(b), Federal Operating Permit No. O1372, Special Terms and Conditions No. 26, and Flexible Permit Nos. 2167 and PSDTX985, Special Conditions No. 1

Violation Description

Failed to prevent unauthorized emissions. Specifically, the Respondent released 12,237 pounds ("lbs") of sulfur dioxide, 132.9 lbs of hydrogen sulfide, 57.99 lbs of nitrogen oxides, 402.70 lbs of carbon monoxide, 6.43 lbs of ethylene, 25.22 lbs of propylene, 9.69 lbs of cis-2-butene, 44.38 lbs of trans-2-butene, 0.65 lb of 1,3-butadiene, 24.75 lbs of hexanes, 1.63 lbs of benzene, and 396.93 lbs of volatile organic compounds from the 736 Coker Flare, Emission Point No. 736K0101A, during an emissions event (Incident No. 210263) that began on February 17, 2015 and lasted one hour and 12 minutes. The emissions event occurred due to an abnormally high amount of water introduced into the 736 Coker Gas Plant system creating an upset condition that led to flaring. Since the emissions event could have been avoided by better operational practices, the Respondent is precluded from asserting the affirmative defense under 30 Tex. Admin. Code § 101.222.

Base Penalty \$25,000

## &gt;&gt; Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual		X	
Potential			

Percent 30.0%

## &gt;&gt; Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment has been exposed to significant amounts of pollutants that do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$17,500

\$7,500

## Violation Events

Number of Violation Events 1

1 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	X
	quarterly	
	semiannual	
	annual	
	single event	

Violation Base Penalty \$7,500

One monthly event is recommended.

## Good Faith Efforts to Comply

25.0%

Reduction \$1,875

Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary	X	
N/A		(mark with x)

Notes

The Respondent completed corrective measures on March 6, 2015, before the June 12, 2015 Notice of Enforcement.

Violation Subtotal \$5,625

## Economic Benefit (EB) for this violation

## Statutory Limit Test

Estimated EB Amount \$23

Violation Final Penalty Total \$13,125

This violation Final Assessed Penalty (adjusted for limits) \$13,125

# Economic Benefit Worksheet

**Respondent** Houston Refining LP  
**Case ID No.** 50736  
**Reg. Ent. Reference No.** RN100218130  
**Media** Air  
**Violation No.** 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

## Delayed Costs

Equipment	\$1,000	17-Feb-2015	17-Feb-2015	0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling	\$10,000	17-Feb-2015	6-Mar-2015	0.05	\$23	n/a	\$23
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated costs to implement corrective measures to prevent recurrence of emissions events due to the same or similar causes as Incident No. 210263. The Date Required is the date the emissions event began and the Final Dates are the dates of compliance.

## Avoided Costs

### ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance	\$11,000	<b>TOTAL</b>	\$23
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The TCEQ is committed to accessibility.

To request a more accessible version of this report, please contact the TCEQ Help Desk at (512) 239-4357.



## TCEQ Compliance History Report

**PUBLISHED** Compliance History Report for CN601313083, RN100218130, Rating Year 2014 which includes Compliance History (CH) components from September 1, 2009, through August 31, 2014.

<b>Customer, Respondent, or Owner/Operator:</b>	CN601313083, Houston Refining LP	<b>Classification:</b>	SATISFACTORY	<b>Rating:</b>	7.63
<b>Regulated Entity:</b>	RN100218130, HOUSTON REFINING	<b>Classification:</b>	SATISFACTORY	<b>Rating:</b>	7.63
<b>Complexity Points:</b>	50	<b>Repeat Violator:</b>	NO		
<b>CH Group:</b>	02 - Oil and Petroleum Refineries				
<b>Location:</b>	12000 LAWDALE ST HOUSTON, TX 77017-2740, HARRIS COUNTY				
<b>TCEQ Region:</b>	REGION 12 - HOUSTON				

### ID Number(s):

**AIR OPERATING PERMITS** ACCOUNT NUMBER HG0048L  
**POLLUTION PREVENTION PLANNING** ID NUMBER P00404

**AIR NEW SOURCE PERMITS** PERMIT 2167  
**AIR NEW SOURCE PERMITS** REGISTRATION 55719  
**AIR NEW SOURCE PERMITS** EPA PERMIT PSDTX985  
**AIR NEW SOURCE PERMITS** REGISTRATION 46595  
**AIR NEW SOURCE PERMITS** REGISTRATION 87937  
**AIR NEW SOURCE PERMITS** REGISTRATION 95583  
**AIR NEW SOURCE PERMITS** REGISTRATION 102445  
**AIR NEW SOURCE PERMITS** REGISTRATION 102539  
**AIR NEW SOURCE PERMITS** REGISTRATION 102500  
**AIR NEW SOURCE PERMITS** REGISTRATION 102533  
**AIR NEW SOURCE PERMITS** REGISTRATION 102526  
**AIR NEW SOURCE PERMITS** REGISTRATION 102448  
**AIR NEW SOURCE PERMITS** REGISTRATION 102523  
**AIR NEW SOURCE PERMITS** REGISTRATION 102540  
**AIR NEW SOURCE PERMITS** REGISTRATION 102531  
**AIR NEW SOURCE PERMITS** REGISTRATION 102511  
**AIR NEW SOURCE PERMITS** REGISTRATION 109351  
**AIR NEW SOURCE PERMITS** REGISTRATION 131635  
**AIR NEW SOURCE PERMITS** REGISTRATION 118761  
**WASTEWATER** PERMIT WQ0000392000  
**PUBLIC WATER SYSTEM/SUPPLY** REGISTRATION 1011570  
**INDUSTRIAL AND HAZARDOUS WASTE** PERMIT 50106

**INDUSTRIAL AND HAZARDOUS WASTE** SOLID WASTE REGISTRATION # (SWR) 30092  
**IHW CORRECTIVE ACTION** SOLID WASTE REGISTRATION # (SWR) 30092

**AIR OPERATING PERMITS** PERMIT 1372

**PETROLEUM STORAGE TANK** REGISTRATION 78219

**AIR NEW SOURCE PERMITS** ACCOUNT NUMBER HG0048L  
**AIR NEW SOURCE PERMITS** AFS NUM 4820100040  
**AIR NEW SOURCE PERMITS** REGISTRATION 43445  
**AIR NEW SOURCE PERMITS** REGISTRATION 86815  
**AIR NEW SOURCE PERMITS** REGISTRATION 92373  
**AIR NEW SOURCE PERMITS** REGISTRATION 101633  
**AIR NEW SOURCE PERMITS** REGISTRATION 102528  
**AIR NEW SOURCE PERMITS** REGISTRATION 101897  
**AIR NEW SOURCE PERMITS** REGISTRATION 102525  
**AIR NEW SOURCE PERMITS** REGISTRATION 102524  
**AIR NEW SOURCE PERMITS** REGISTRATION 102538  
**AIR NEW SOURCE PERMITS** REGISTRATION 102537  
**AIR NEW SOURCE PERMITS** REGISTRATION 102446  
**AIR NEW SOURCE PERMITS** REGISTRATION 102521  
**AIR NEW SOURCE PERMITS** REGISTRATION 102522  
**AIR NEW SOURCE PERMITS** REGISTRATION 102512  
**AIR NEW SOURCE PERMITS** REGISTRATION 112762  
**AIR NEW SOURCE PERMITS** REGISTRATION 123232  
**AIR NEW SOURCE PERMITS** REGISTRATION 113654  
**WASTEWATER** EPA ID TX0003247  
**WATER LICENSING** LICENSE 1011570

**INDUSTRIAL AND HAZARDOUS WASTE** EPA ID TXD082688979

**INDUSTRIAL AND HAZARDOUS WASTE** OTS REQUEST 37881

**AIR EMISSIONS INVENTORY** ACCOUNT NUMBER HG0048L

**Compliance History Period:** September 01, 2009 to August 31, 2014      **Rating Year:** 2014      **Rating Date:** 09/01/2014  
**Date Compliance History Report Prepared:** June 30, 2015  
**Agency Decision Requiring Compliance History:** Enforcement  
**Component Period Selected:** June 30, 2010 to June 30, 2015  
**TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.**  
**Name:** Amancio R. Gutierrez      **Phone:** (512) 239-3921

### Site and Owner/Operator History:

- 1) Has the site been in existence and/or operation for the full five year compliance period? YES
- 2) Has there been a (known) change in ownership/operator of the site during the compliance period? YES
- 3) If YES for #2, who is the current owner/operator?
  - Arco Pipe Line Company OWNER OPERATOR since 8/27/2003
  - Houston Refining LP OPERATOR since 5/8/2006
  - Houston Refining OWNER since 1/1/1800
  - Explorer Pipeline Company OWNER OPERATOR since 2/26/2015
  - A. J. Hurt, Jr., Incorporated OWNER since 4/1/2010
  - Lyondell-Citgo Refining Company Ltd. OWNER OPERATOR since 4/30/2012
  - Houston Refining LP OWNER OPERATOR since 1/1/1800
  - ARCO PETROLEUM PRODUCTS CO OWNER since 3/3/1997
  - A. J. Hurt, Jr., Incorporated, OWNER, 5/8/2006 to 3/31/2010
- 4) If YES for #2, who was/were the prior owner(s)/operator(s)?

5) If **YES**, when did the change(s) in owner or operator occur? 4/1/2010

## **Components (Multimedia) for the Site Are Listed in Sections A - J**

### **A. Final Orders, court judgments, and consent decrees:**

- 1 Effective Date: 07/11/2010 ADMINORDER 2010-0028-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: Special Condition 1 PERMIT  
Description: Failed to comply with permitted emissions limits. Specifically, during an emissions event (Incident No. 131133) on October 24, 2009, operations personnel improperly lined up valves in the Butane Recovery Unit, causing the unauthorized release of 5,143 pounds of volatile organic compounds from a pressure safety valve (Emissions Point Number 233-UNIT) over a two minute period. Since these emissions could have been avoided by better operational practices, the emissions are not subject . . . .
- 2 Effective Date: 08/09/2010 ADMINORDER 2009-0779-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: Special Condition 1. PERMIT  
Description: Failed to comply with permitted emissions limits. Specifically, hydrogen sulfide emissions from barge loading at the dock, Emissions Point No. ("EPN") LL19DOCKD, are limited to 7.79 pounds per hour, but those emissions reported at 11.63 pounds per hour.  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: STC 1A OP  
STC 2 OP  
Description: Failed to submit an emissions event report to the State of Texas Environmental Electronic Reporting System ("STEERS") within 24 hours of a reportable emissions event (Incident No. 123442). Specifically, the event occurred on January 7 and 8, 2007, but the STEERS report was not submitted until April 27, 2009.  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 115, SubChapter H 115.722(c)(1)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: Special Condition 1 PERMIT  
Description: Failed to comply with permitted emissions limits and the allowable site-wide hourly emissions cap for highly reactive volatile organic compounds ("HRVOC"). Specifically, during an emissions event (Incident No. 123442) on January 7 and 8, 2007, an improperly set pressure relief valve (EPN 938PSV0049) in the Paraxylene Recovery Unit released 4,500 pounds of ethylene over a 6.4 hour period . . . .  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 115, SubChapter H 115.722(c)(1)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: SPECIAL CONDITION 1 PERMIT  
Description: Failed to comply with permitted emissions limits and the allowable site-wide hourly emissions cap for HRVOC. Specifically, during an emissions event (Incident No. 124005) on May 8, 2009, an improperly open valve and a failed level indicator caused the # 2 Debutanizer Tower (EPN 732T0007) and a pressure relief valve (EPN 732PSV0337) in the Fluid Catalytic Cracking Unit to emit 3,753 pounds of volatile organic compounds (including 2,471 pounds of HRVOC), 0.3 pound of sulfur dioxide . . . .
- 3 Effective Date: 08/09/2010 ADMINORDER 2008-1454-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: TCEQ Flexible Permit No. 2167, SC #1 PERMIT  
Description: Failed to prevent unauthorized emissions during Incident No. 112203.
- 4 Effective Date: 10/25/2010 ADMINORDER 2009-1158-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: 2167 SC 1 PERMIT  
Description: Failed to prevent the operator from inadvertently shutting down the Thermal Oxidizer causing an unauthorized release of emissions.  
Classification: Minor  
Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)(H)

5C THSC Chapter 382 382.085(b)

Description: Failed to include on their final report, the authorization number governing the facilities involved in the emissions event (Incident No. 124877) that occurred on May 29, 2009 in the SRU Unit.

- 5 Effective Date: 11/15/2010 ADMINORDER 2010-0641-AIR-E (Findings Order-Agreed Order Without Denial)  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: Special Condition 1 PERMIT  
Description: Failed to prevent unauthorized emissions.  
Classification: Minor  
Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(1)(G)  
5C THSC Chapter 382 382.085(b)  
Description: Failed to identify the compound descriptive type of all compounds or mixtures of air contaminants released during Incident No. 133389 in the final record.  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: SPECIAL CONDITION 1 OP  
Description: Failed to prevent unauthorized emissions.
- 6 Effective Date: 12/25/2010 ADMINORDER 2010-0211-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Minor  
Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)  
30 TAC Chapter 101, SubChapter F 101.201(b)  
5C THSC Chapter 382 382.085(b)  
Description: Failed to submit an initial notification and final report for Incident No. 2008-770. Specifically, Incident No. 2008-770 was discovered on November 19, 2009 and ended November 24, 2009 and neither report was received.  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: Special Condition 1 PERMIT  
Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 12,836 pounds ("lbs") of sulfur dioxide ("SO2") and 139 lbs of hydrogen sulfide ("H2S") from the 636 Hydrodesulfurization Unit during an emissions event (Incident No. 2008-770) that began November 18, 2009 and lasted 131 hours and 10 minutes. Since the cause of this event could not be determined and it was not reported, the demonstrations in 30 Tex. Admin. Code § 101.222 necessary to present an affirmative defense  
Classification: Minor  
Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)  
30 TAC Chapter 101, SubChapter F 101.201(b)  
5C THSC Chapter 382 382.085(b)  
Description: Failed to submit an initial notification and final report for Incident No. 2009-344. Specifically, Incident No. 2009-344 was discovered on June 14, 2009 and lasted two hours and 24 minutes and neither report was received.  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: Special Condition 1 PERMIT  
Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 3,206 lbs of SO2 and 35 lbs of H2S from the 737 Delayed Coker Unit during an avoidabl emissions event (Incident No. 2009-344) that began June 14, 2009 and lasted two hours and 24 minutes. The event was the result of an unexpected change in compressor discharge temperature. Since this emissions event could have been avoided by better operational practices and was not reported, the demonstrations in 30 Tex. Admin.
- 7 Effective Date: 03/07/2011 ADMINORDER 2010-1315-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: Special Condition 1 PERMIT  
Description: Failed to properly replace a strainer in the 536 Crude Unit causing an emissions event (Incident No. 139853) on May 17, 2010, resulting in a fire and the release of unauthorized emissions of 1,543.92 pounds ("lbs") of sulfur dioxide, 229.03 lbs of nitrous oxides, 287.06 lbs of particulate matter, 20.99 lbs of carbon monoxide, 33.29 lbs of gas oil, and 3.11 lbs of gasoline blend stock during an emissions event lasting one hour
- 8 Effective Date: 07/31/2011 ADMINORDER 2010-2029-AIR-E (1660 Order-Agreed Order With Denial)  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)  
30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: Special Condition 1 PERMIT  
Description: Failed to prevent unauthorized emissions during an emissions event that occurred on August 15, 2010. Specifically, the Respondent released 2,475.45 pounds ("lbs") of sulfur dioxide, 185.18 lbs of nitrogen oxides, 28.39 lbs of carbon monoxide, 35.51 lbs of particulate matter, 179.71 lbs of fuel oil 6, and 265.22 lbs of diesel fuel from a ruptured tube in the furnace of 737 Coker Unit during an emissions event that lasted approximately two hours (Incident No.



143549).

- 9 Effective Date: 08/27/2011 ADMINORDER 2011-0308-AIR-E (Findings Order-Agreed Order Without Denial)  
Classification: Moderate  
Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
5C THSC Chapter 382 382.085(b)  
Rqmt Prov: Special Condition 1 PERMIT  
Description: Failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE § 116.715(a), TEX. HEALTH & SAFETY CODE § 382.085(b), and Flexible Permit Nos. 2167 and PSD-TX-985, Special Conditions No. 1. Since this emissions event could have been avoided by better operational practices and was reported late, the demonstrations in 30 TEX. ADMIN. CODE § 101.222 necessary to present affirmative defense were not met.  
Classification: Moderate  
Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)  
5C THSC Chapter 382 382.085(b)  
Description: Failed to submit the initial notification for Incident No. 147093 within 24 hours after the discovery of the event.
- 10 Effective Date: 06/03/2013 ADMINORDER 2012-2037-IWD-E (1660 Order-Agreed Order With Denial)  
Classification: Major  
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)(1)  
30 TAC Chapter 305, SubChapter F 305.125(1)  
Rqmt Prov: TPDES Permit PERMIT  
Description: Failure to comply with permitted effluent limitations at Outfall Nos. 001 and 003, as documented during a record review conducted on August 22, 2012. Specifically, the Respondent reported zinc daily maximum effluent concentrations of 0.79 milligrams per liter ("mg/L") during October 2011 from Outfall No. 001, and 0.89 mg/L during January 2012 and 1.71 mg/L during May 2012 from Outfall No. 003 that exceeded the 0.51 mg/L permitted effluent limitations.

See addendum for information regarding federal actions.

**B. Criminal convictions:**

N/A

**C. Chronic excessive emissions events:**

N/A

**D. The approval dates of investigations (CCEDS Inv. Track. No.):**

Item 1	July 21, 2010	(860822)
Item 2	July 22, 2010	(826929)
Item 3	August 10, 2010	(790152)
Item 4	September 01, 2010	(826922)
Item 5	September 20, 2010	(873859)
Item 6	October 20, 2010	(881461)
Item 7	November 22, 2010	(887991)
Item 8	December 20, 2010	(896190)
Item 9	December 21, 2010	(873611)
Item 10	December 28, 2010	(879988)
Item 11	January 31, 2011	(892535)
Item 12	March 01, 2011	(899493)
Item 13	March 21, 2011	(916300)
Item 14	April 18, 2011	(912871)
Item 15	April 20, 2011	(924727)
Item 16	April 25, 2011	(912179)
Item 17	May 20, 2011	(937981)
Item 18	June 20, 2011	(945305)
Item 19	June 30, 2011	(921626)
Item 20	July 18, 2011	(952580)
Item 21	August 18, 2011	(959262)
Item 22	August 22, 2011	(936293)
Item 23	September 06, 2011	(943156)
Item 24	September 12, 2011	(951953)
Item 25	September 19, 2011	(965291)
Item 26	October 04, 2011	(958258)
Item 27	October 25, 2011	(958441)
Item 28	October 28, 2011	(971334)
Item 29	November 04, 2011	(962637)
Item 30	January 05, 2012	(990559)
Item 31	January 18, 2012	(990560)
Item 32	March 22, 2012	(1003444)
Item 33	April 23, 2012	(1010008)
Item 34	May 22, 2012	(1016404)
Item 35	July 09, 2012	(1006480)
Item 36	July 20, 2012	(1031520)
Item 37	August 06, 2012	(1022505)



Item 38	August 20, 2012	(1037895)
Item 39	September 05, 2012	(1029689)
Item 40	September 20, 2012	(1046619)
Item 41	October 22, 2012	(1060728)
Item 42	November 19, 2012	(1060729)
Item 43	December 21, 2012	(1060730)
Item 44	January 22, 2013	(1078877)
Item 45	February 22, 2013	(1078876)
Item 46	March 18, 2013	(1089262)
Item 47	April 18, 2013	(1095656)
Item 48	May 20, 2013	(1106581)
Item 49	June 19, 2013	(1117140)
Item 50	June 24, 2013	(1110257)
Item 51	August 13, 2013	(1103417)
Item 52	August 16, 2013	(1105160)
Item 53	August 20, 2013	(1124896)
Item 54	September 24, 2013	(1129498)
Item 55	November 13, 2013	(1135227)
Item 56	November 21, 2013	(1140627)
Item 57	December 17, 2013	(1147084)
Item 58	January 27, 2014	(1153154)
Item 59	February 24, 2014	(1160490)
Item 60	March 21, 2014	(1167135)
Item 61	April 02, 2014	(1102104)
Item 62	April 15, 2014	(1174268)
Item 63	April 24, 2014	(1160240)
Item 64	April 29, 2014	(1152703)
Item 65	May 16, 2014	(1180456)
Item 66	June 23, 2014	(1187353)
Item 67	July 10, 2014	(1164888)
Item 68	July 15, 2014	(1198457)
Item 69	August 18, 2014	(1198458)
Item 70	September 18, 2014	(1205759)
Item 71	October 15, 2014	(1193113)
Item 72	October 22, 2014	(1186528)
Item 73	October 29, 2014	(1203066)
Item 74	November 06, 2014	(1197082)
Item 75	November 18, 2014	(1218422)
Item 76	December 16, 2014	(1224202)
Item 77	January 22, 2015	(1230730)
Item 78	February 25, 2015	(1242238)
Item 79	March 17, 2015	(1229900)
Item 80	April 16, 2015	(1255468)
Item 81	May 08, 2015	(1204518)
Item 82	May 12, 2015	(1241903)
Item 83	May 15, 2015	(1221516)
Item 84	June 02, 2015	(1248264)

#### E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

1	Date: 08/19/2014 (1172266)	CN601313083
	Self Report? NO	Classification: Moderate
	Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)	
	40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.646(a)	
	40 CFR Chapter 63, SubChapter C, PT 63, SubPT G 63.120(b)(8)	
	5C THSC Chapter 382 382.085(b)	
	O1372, Special Terms and Conditions 1A OP	
	Description: Failure to complete repairs to Tank 892 and Tank 893 within the time frame	
	Self Report? NO	Classification: Minor
	Citation: 2167, Special Condition 36 PERMIT	
	30 TAC Chapter 116, SubChapter B 116.115(c)	
	30 TAC Chapter 122, SubChapter B 122.143(4)	
	5C THSC Chapter 382 382.085(b)	
	O1372, Special Terms and Conditions 26 OP	
	Description: Failure to maintain the hourly SO2 concentration below 235 ppmvd at the Tail Gas Thermal Oxidizers (EPNs 435F1402 and 440F2002)	
	Self Report? NO	Classification: Minor
	Citation: 2167, Special Condition 25 PERMIT	
	30 TAC Chapter 116, SubChapter B 116.115(c)	
	30 TAC Chapter 122, SubChapter B 122.143(4)	
	40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.104(a)(1)	
	5C THSC Chapter 382 382.085(b)	
	O1372, ST&C 1A and 26 OP	
	Description: Failure to maintain the 3-hr rolling average H2S concentration below 160 ppmvd	

at the Fuel Gas Mixing Pot (EPN 338D0408)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.103(a)  
5C THSC Chapter 382 382.085(b)  
01372, ST&C 1A OP

Description: Failure to maintain the hourly CO concentration below 500 ppm at the FCCU Regen/ CO Boiler/ Wet Gas Scrubber (EPN 732D0063)

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter H 115.725(d)(1)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
01372, ST&C 1A OP

Description: Failure to continuously monitor No. 3 Plant Flare and No. 4 Plant Flare (EPNs 338K0007 and 338K0008)

Self Report? NO Classification: Minor

Citation: 2167, Special Condition 14E PERMIT  
30 TAC Chapter 115, SubChapter D 115.354(3)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
01372, ST&C 1A and 26 OP

Description: Failure to conduct a weekly audio visual olfactory (AVO) inspection on connectors in the 736 Coker Unit

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 117, SubChapter B 117.310(c)(1)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
01372, ST&C 1A OP

Description: Failure to maintain the 24-hour CO concentration below 400 ppmv at the 737 F-1 Heater on October 12 and 13, 2012 and at the 536-F2 Heater from March 24, 2013 to March 28, 2013

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter C 115.244  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
01372, ST&C 6B OP

Description: Failure to conduct daily inspections on March 24, 2013 on the vapor recovery systems for the motor vehicle fuel dispensing facility subject to Stage II control

Self Report? NO Classification: Minor

Citation: 2167, SC 14H PERMIT  
30 TAC Chapter 115, SubChapter D 115.352(2)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
01372, ST&C 1A and 26 OP

Description: Failure to repair a leaking valve within the 15-day timeframe

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT QQQ 60.697(h)  
5C THSC Chapter 382 382.085(b)  
01372, ST&C 1A OP

Description: Allowing process water to come into contact with stormwater when 537 P-26A/B sump pumps were not lined up correctly

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter H 115.725(d)(4)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)  
01372, ST&C 1A OP

Description: Failure to collect and analyze daily samples on the Houston Street Flare on June 23 and 24, 2013 and on the 736 Coker Flare on June 7 through 9, 2013 during a period of HRVOC analyzer failures

Self Report? NO Classification: Minor

Citation: 1372, ST&C 1A and 26 OP  
2167, SC 14H PERMIT  
30 TAC Chapter 115, SubChapter D 115.352(2)  
30 TAC Chapter 116, SubChapter B 116.115(c)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-2(c)(1)  
5C THSC Chapter 382 382.085(b)

Description: Failure to repair a leaking pump within the 15-day timeframe

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 115, SubChapter H 115.764(a)(2)  
30 TAC Chapter 122, SubChapter B 122.143(4)  
5C THSC Chapter 382 382.085(b)

Description: 01372, ST&C 1A OP  
 Failure to collect and analyze samples on the 635 Cooling Tower during the downtime between August 16 and 28, 2012  
 Self Report? NO Classification: Minor  
 Citation: 2167, SC 24 PERMIT  
 30 TAC Chapter 115, SubChapter H 115.764(a)(6)  
 30 TAC Chapter 116, SubChapter B 116.115(c)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 01372, SC& C 1A and 26 OP  
 Description: Missed initial quality assurance of El Paso Stripper meters (water flow, air flow, and temperature) on the 635 Cooling Tower  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.354(d)  
 5C THSC Chapter 382 382.085(b)  
 01372, ST&C 1A OP  
 Description: Failure to complete the scheduled weekly inspections on Carbon Canisters #2, #3, and #4 on October 4, 2012  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT J 60.104(a)(2)(i)  
 5C THSC Chapter 382 382.085(b)  
 01372, ST&C 1A OP  
 Description: Failure to maintain SO2 concentration below the 12-hour rolling average NSPS Subpart J limit of 250 ppmv at the 435 and 440 Tail Gas Thermal Oxidizers (EPNs 435F1402 and 440F2002 )  
 Self Report? NO Classification: Minor  
 Citation: 2167, SC 31 PERMIT  
 30 TAC Chapter 116, SubChapter B 116.115(c)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 01372, ST&C 26 OP  
 Description: Failure to maintain CO concentration below the hourly permit limit of 100 ppmv on October 20 and 21, 2012 at the 435 Thermal Oxidizer (EPN 435F1402)  
 Self Report? NO Classification: Minor  
 Citation: 2167, SC 59B PERMIT  
 30 TAC Chapter 116, SubChapter B 116.115(c)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 01372, ST&C 26 OP  
 Description: Failure to begin degassing the vapor space under the landed floating roof of Tank 133TK0885 within 24 hours after the tank has been drained on October 31, 2012  
 Self Report? NO Classification: Minor  
 Citation: 2167, SC 1 PERMIT  
 30 TAC Chapter 116, SubChapter B 116.115(c)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 01372, ST&C 26 OP  
 Description: Failure to maintain H2S emissions below the permit hourly emission limit of 20.72 lbs/hr when maintenance work was performed at the 230 Gas Plant, resulting in a flaring event at the No. 1 Plant Flare (EPN 338K0001) on November 6 and 7, 2012  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 115, SubChapter H 115.764(a)(3)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 01372, ST&C 1A OP  
 Description: Failure to maintain the uptime above 95% for the HRVOC GC analyzer on the 635 Cooling Tower for calendar year 2012

2 Date: 02/26/2015 (1192965) CN601313083  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 FOP ST&C 26 OP  
 NSR SC 31 PERMIT  
 Description: Failure to maintain the one hour average carbon monoxide concentration of the Tail Gas Thermal Oxidizer (EPN 435F1402) no greater than 100 ppmvd. (Category C4)  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 115, SubChapter H 115.725(d)(4)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)

Description: FOP ST&C 1A OP  
 Failure to take samples within 10 hours of the start of HRVOC analyzer downtimes. (Category C1)

Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 115, SubChapter H 115.725(d)(3)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 FOP ST&C 1A OP

Description: Failure to continuously operate the Houston Street Flare (EPN 338K0005) HRVOC analyzer at least 95% of the time the flare was operational for the 2013 calendar year. (Category B1)

Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 115, SubChapter D 115.352(1)  
 30 TAC Chapter 115, SubChapter H 115.782(b)(2)  
 30 TAC Chapter 116, SubChapter B 116.115(c)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-2(c)(1)  
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(d)(1)  
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-8(c)(1)  
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.648(a)  
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.163(c)(1)  
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.168(f)(1)  
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.174(d)  
 5C THSC Chapter 382 382.085(b)  
 FOP ST&C 1A and 26 OP  
 NSR SC 14H PERMIT

Description: Failure to repair leaking components within 15 days. (Category C4)

Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-8(a)(1)  
 5C THSC Chapter 382 382.085(b)  
 FOP ST&C 1A OP

Description: Failure to monitor a leaking connector within 5 days of the discovery of the leak. (Category C1)

Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 115, SubChapter C 115.221  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 FOP ST&C 6A(i) OP

Description: Failure to control vapors while transferring gasoline from a tank-truck into a stationary storage container. (Category B14)

Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
 40 CFR Part 60, Subpart QQQ 60.692-2(a)(1)  
 5C THSC Chapter 382 382.085(b)  
 FOP ST&C 1A OP

Description: Failure to equip refinery wastewater drains with water seal controls. (Category B19.g.(1))

Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 115, SubChapter H 115.764(d)  
 30 TAC Chapter 116, SubChapter B 116.115(c)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 5C THSC Chapter 382 382.085(b)  
 FOP ST&C 1A and 26 OP  
 NSR SC 24 PERMIT

Description: Failure to sample the cooling water for EPNs 536CT3701 and 430CT3791. (Category C1)

Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 115, SubChapter D 115.354(2)(B)  
 30 TAC Chapter 115, SubChapter H 115.781(b)  
 30 TAC Chapter 115, SubChapter H 115.781(c)(1)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-2(a)(1)  
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.648(a)  
 5C THSC Chapter 382 382.085(b)  
 FOP ST&C 1A OP

Description: Failure to conduct weekly visual inspections and monthly monitoring of eight pumps. (Category C1)

Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 115, SubChapter D 115.356(2)(E)  
 30 TAC Chapter 115, SubChapter H 115.786(e)  
 30 TAC Chapter 116, SubChapter B 116.115(c)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.486(c)  
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT CC 63.655(d)(1)

40 CFR Chapter 63, SubChapter C, PT 63, SubPT H 63.181(d)  
 5C THSC Chapter 382 382.085(b)  
 FOP ST&C 1A and 26 OP  
 NSR SC 14K PERMIT

Description: Failure to maintain complete records of repaired components. (Category C3)  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.356(b)  
 5C THSC Chapter 382 382.085(b)  
 FOP ST&C 13J OP

Description: Failure to maintain records identifying the waste stream information for instrument maintenance activities. (Category C3)  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.345(a)(1)(i)  
 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.345(b)  
 5C THSC Chapter 382 382.085(b)  
 FOP ST&C 14A OP

Description: Failure to conduct initial and quarterly inspections on totes managing waste streams containing benzene. (Category B1)  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT QQQ 60.692-2(a)(2)  
 5C THSC Chapter 382 382.085(b)  
 FOP ST&C 10B OP

Description: Failure to conduct visual or physical inspections of refinery wastewater system drains. (Category B1)  
 Self Report? NO Classification: Minor  
 Citation: 30 TAC Chapter 115, SubChapter D 115.352(4)  
 30 TAC Chapter 115, SubChapter H 115.783(5)  
 30 TAC Chapter 116, SubChapter B 116.115(c)  
 30 TAC Chapter 122, SubChapter B 122.143(4)  
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-6(a)(1)  
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.648(a)  
 5C THSC Chapter 382 382.085(b)  
 FOP ST&C 1A and 26 OP  
 NSR SC 14E and 58A PERMIT

Description: Failure to prevent open-ended lines following the removal of a component for repair. (Category C10)  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)  
 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.482-7(a)(1)  
 40 CFR Chapter 63, SubChapter C, PT 63, SubPT AA 63.648(a)  
 5C THSC Chapter 382 382.085(b)  
 FOP ST&C 1A OP

Description: Failure to monitor valves in gas/vapor or light liquid service monthly. (Category B19.g.(9))

3 Date: 06/12/2015 (1240838) CN601313083  
 Self Report? NO Classification: Moderate  
 Citation: 30 TAC Chapter 116, SubChapter G 116.715(a)  
 5C THSC Chapter 382 382.085(b)  
 Special Condition 1 PERMIT

Description: Failure to prevent unauthorized emissions during an emissions event.  
 [Subcategory B13]

#### F. Environmental audits:

Notice of Intent Date: 06/14/2010 (791229)  
 Disclosure Date: 01/28/2011  
 Viol. Classification: Minor  
 Citation: 30 TAC Chapter 115, SubChapter H 115.782(b)(1)  
 Description: Failed to have a record of a first attempt at repair that occurred within one business day for three HRVOC components found leaking on 9/2/10 (Tag. Nos. 3173, 116728, and 305923).  
 Viol. Classification: Minor  
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)  
 Rqmt Prov: PERMIT SC 14  
 Description: Components were discovered in the South tank farm that were not adequately tagged, recorded in the LDAR database, and not monitored.  
 Viol. Classification: Minor  
 Citation: 40 CFR Chapter 61, SubChapter C, PT 61, SubPT FF 61.345(a)(1)(i)  
 Description: Failed to conduct initial and annual Method 21 sampling as required by NESHAP FF..  
 Viol. Classification: Minor  
 Citation: 40 CFR Chapter 273, SubChapter I, PT 273, SubPT C 273.34  
 40 CFR Chapter 279, SubChapter I, PT 279, SubPT C 279.22(c)(1)  
 Description: Failed to have labeling done properly according to RCRA requirements as waste batteries were not labeled

properly, and containers used to store used oil were not all labeled or marked clearly with the words "Used Oil"

Viol. Classification: Minor

Citation: 40 CFR Chapter 60, SubChapter C, PT 60, SubPT VV 60.486(c)(1)

Description: Records of analyzer ID and Operator ID are missing for 9 monitoring events for which leaks were detected under Refinery MACT and for 1,455 monitoring events for compliance with Chap. 115 HRVOC rules.

Notice of Intent Date: 10/30/2012 (1056332)

No DOV Associated

Notice of Intent Date: 09/11/2013 (1132426)

No DOV Associated

**G. Type of environmental management systems (EMSs):**

N/A

**H. Voluntary on-site compliance assessment dates:**

N/A

**I. Participation in a voluntary pollution reduction program:**

N/A

**J. Early compliance:**

N/A

**Sites Outside of Texas:**

N/A

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## ***Addendum to Compliance History Federal Enforcement Actions***

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**Reg Entity Name:** **HOUSTON REFINING**

**Reg Entity Add:** 12000 LAWNDAL AVENUE

**Reg Entity City:** HOUSTON

**Reg Entity No:** RN100218130

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**EPA Case No:** **06-2009-3406**

**Order Issue Date (yyyymmdd):** 20100423

**Case Result:**

**Statute:** CAA

**Sect of Statute:** 110

**Classification:** Moderate

**Program:** Nonattainment/SIP Provi

**Citation:**

**Violation Type:** New Source Review

**Cite Sect:**

**Cite Part:**

**Enforcement Action:** Concernt Decree/Court Order

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**Reg Entity Name:** **HOUSTON REFINING, L.P.**

**Reg Entity Add:** 2000 LAWNDAL AVENUE

**Reg Entity City:** HOUSTON

**Reg Entity No:** RN100218130

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**EPA Case No:** **06-2013-1784**

**Order Issue Date (yyyymmdd):** 20130411

**Case Result:** Unilateral Administrative O

**Statute:** CWA

**Sect of Statute:** 301/402

**Classification:** Minor

**Program:** NPDES - Base Program

**Citation:**

**Violation Type:** Violation of a Permit  
Requirement

**Cite Sect:**

**Cite Part:**

**Enforcement Action:** Administrative Compliance Order

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# TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN  
ENFORCEMENT ACTION  
CONCERNING  
HOUSTON REFINING LP  
RN100218130**

**§ BEFORE THE  
§  
§ TEXAS COMMISSION ON  
§  
§ ENVIRONMENTAL QUALITY**

## **AGREED ORDER DOCKET NO. 2015-0959-AIR-E**

### **I. JURISDICTION AND STIPULATIONS**

On \_\_\_\_\_, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Houston Refining LP ("Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a petroleum refining plant located at 12000 Lawndale Street in Houston, Harris County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Executive Director and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about June 17, 2015.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Thirteen Thousand One Hundred Twenty-Five Dollars (\$13,125) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Five Thousand Two Hundred Fifty Dollars (\$5,250) of the administrative penalty and Two Thousand Six

Hundred Twenty-Five Dollars (\$2,625) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty. Five Thousand Two Hundred Fifty Dollars (\$5,250) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a).
9. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Plant to prevent recurrence of emissions events due to the same or similar causes as Incident No. 210263:
  - a. On February 17, 2015, repaired and reset the 736 Compressor Knockout Drum high level switch;
  - b. On February 18, 2015, reviewed procedures for operation of the 736 Gas Plant with personnel; and
  - c. On March 6, 2015, conducted field training with personnel concerning operation of the 736 Gas Plant, emphasizing on maintaining proper vessel levels and responding to high vessel levels.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

## II. ALLEGATIONS

As owner and operator of the Plant, the Respondent is alleged to have failed to prevent unauthorized emissions, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.715(a), and 122.143(4), TEX. HEALTH & SAFETY CODE § 382.085(b), Federal Operating Permit No. O1372, Special Terms and Conditions No. 26, and Flexible Permit Nos. 2167 and PSDTX985, Special Conditions No. 1, as documented during a record review conducted from March 23, 2015 through April 6, 2015. Specifically, the Respondent released 12,237 pounds ("lbs") of sulfur dioxide, 132.9 lbs of hydrogen sulfide, 57.99 lbs of nitrogen oxides, 402.70 lbs of carbon monoxide, 6.43 lbs of ethylene, 25.22 lbs of propylene, 9.69 lbs of cis-2-butene, 44.38 lbs of trans-2-butene, 0.65 lb of 1,3-butadiene, 24.75 lbs of hexanes, 1.63 lbs of benzene, and 396.93 lbs of volatile organic compounds from the 736 Coker Flare, Emission Point No. 736K0101A, during an emissions event (Incident No. 210263) that began on February 17, 2015 and lasted one hour and 12 minutes. The emissions event occurred due to an abnormally high amount of water introduced into the 736 Coker Gas Plant system creating an upset condition that led to flaring. Since the emissions event could have been avoided by better operational practices, the Respondent is precluded from asserting the affirmative defense under 30 TEX. ADMIN. CODE § 101.222.

## III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

## IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Houston Refining LP, Docket No. 2015-0959-AIR-E" to:

Financial Administration Division, Revenue Operations Section  
Attention: Cashier's Office, MC 214  
Texas Commission on Environmental Quality  
P.O. Box 13088  
Austin, Texas 78711-3088

2. The Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, Five Thousand Two Hundred Fifty Dollars (\$5,250) of the assessed administrative penalty shall be offset with the condition that the SEP defined in Attachment A, incorporated herein by reference, is implemented by the Respondent. The Respondent's obligation to pay the conditionally offset portion of the assessed administrative penalty shall be discharged upon final completion of all provisions of the SEP agreement.

3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
4. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
6. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
7. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
8. The effective date of this Order is the date it is signed by the Commission. A copy of this fully executed Order shall be provided to each of the parties.

## SIGNATURE PAGE

### TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

\_\_\_\_\_  
For the Commission

\_\_\_\_\_  
Date

  
\_\_\_\_\_  
For the Executive Director

3/10/16  
\_\_\_\_\_  
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

  
\_\_\_\_\_  
Signature

10/23/15  
\_\_\_\_\_  
Date

Gregory A. Nevermann  
\_\_\_\_\_  
Name (Printed or typed)  
Authorized Representative of  
Houston Refining LP

Site Manager, Houston Refinery  
\_\_\_\_\_  
Title

**Instructions:** Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenue Operations Section at the address in Section IV, Paragraph 1 of this Agreed Order.



**Attachment A**  
**Docket Number: 2015-0959-AIR-E**  
**SUPPLEMENTAL ENVIRONMENTAL PROJECT**

<b>Respondent:</b>	<b>Houston Refining LP</b>
<b>Penalty Amount:</b>	<b>Ten Thousand Five Hundred Dollars (\$10,500)</b>
<b>SEP Offset Amount:</b>	<b>Five Thousand Two Hundred Fifty Dollars (\$5,250)</b>
<b>Type of SEP:</b>	<b>Contribution to a Third-Party Pre-Approved SEP</b>
<b>Third-Party Administrator:</b>	<b>Texas City Independent School District</b>
<b>Project Name:</b>	<b><i>TCISD Alternative Fuel School Bus Program</i></b>
<b>Location of SEP:</b>	<b>Houston-Galveston Airshed</b>

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

**1. Project Description**

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Texas City Independent School District** for the *TCISD Alternative Fuel School Bus Program* project. The contribution will be used in accordance with the SEP between the Third-Party Administrator and the TCEQ (the "Project"). Specifically, the SEP Offset Amount will be used to purchase lower-emission propane fueled school buses that are model year 2010 or newer ("Replacement Bus(es)") to replace buses currently in the fleet that are model year 2006 or older ("Older Bus(es)"). The Older Buses will then be decommissioned, thus permanently removing them from the roads. The SEP Offset Amount shall only be used for the purchase of a base model propane fueled Replacement Bus. The Third-Party Administrator shall own and operate each Replacement Bus for at least five years following the date of purchase.

The Third-Party Administrator shall give preference to replacing the oldest, most polluting buses within its fleet. Only Older Buses that are currently in regular use, driven on a regular route on a weekly basis for at least the past two years are eligible for replacement.

The Third-Party Administrator shall ensure that each Replacement Bus purchased has an engine that meets the Environmental Protection Agency's 2010 emissions standards. Additionally, all Older Buses that are replaced shall be fully decommissioned as required

Houston Refining LP  
Agreed Order - Attachment A

in the SEP Vehicle Disposition Form. All funds received for the scrap value of the Older Bus shall be deposited into the SEP Account and become part of the SEP. The SEP will be done in accordance with all federal, state, and local environmental laws and regulations.

All dollars contributed will be used solely for the direct cost of implementing the Project, including, but not limited to supplies, materials, and equipment. Any portion of this contribution that is not spent on the specifically identified SEP may, at the discretion of the Executive Director ("ED"), be applied to another pre-approved SEP.

The Respondent's signature affixed to this Agreed Order certifies that the Respondent has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action. The Respondent shall not profit in any manner from this SEP.

b. Environmental Benefit

The Project will directly benefit air quality in Third-Party Administrator's region by reducing harmful exhaust emissions from older school buses by replacing them with lower-emission propane buses. Older school bus engines emit greater amounts of harmful pollutants such as nitrous oxides, particulate matter, volatile organic compounds, and carbon monoxide than newer, lower-emission buses. These pollutants contribute to the formation of ground level ozone which damages vegetation and ecosystems and may cause or exacerbate a number of respiratory diseases, including asthma, especially in children.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

**2. Performance Schedule**

Within 30 days after the effective date of this Agreed Order, the Respondent must contribute the SEP Offset Amount to the Third-Party Administrator. The Respondent shall make the check payable to **Texas City Independent School District SEP** and shall mail the contribution with a copy of the Agreed Order to:

Texas City Independent School District SEP  
Attention: John Johnson, Consultant  
2901 Turtle Creek Drive, Suite 445  
Port Arthur, Texas 77642



### **3. Records and Reporting**

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the Enforcement SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Administrator. The Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality  
Enforcement Division  
Attention: SEP Coordinator, MC 219  
P.O. Box 13087  
Austin, Texas 78711-3087

### **4. Failure to Fully Perform**

If the Respondent does not perform its obligations under this Attachment A, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the ED may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that the Respondent failed to fully implement and complete the Project, the Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and as set forth in the attached Agreed Order. After receiving notice of failure to complete the SEP, the Respondent shall include the docket number of the attached Agreed Order and a note that the enclosed payment is for the reimbursement of a SEP, shall make the check payable to "Texas Commission on Environmental Quality", and shall mail it to:

Texas Commission on Environmental Quality  
Litigation Division  
Attention: SEP Coordinator, MC 175  
P.O. Box 13087  
Austin, Texas 78711-3087

### **5. Publicity**

Any public statements concerning this SEP and/or project, made by or on behalf of the Respondent must include a clear statement that **the project was performed as part of the settlement of an enforcement action brought by the TCEQ**. Such statements include advertising, public relations, and press releases.

**6. Recognition**

The Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

**7. Other SEPs by TCEQ or Other Agencies**

The SEP Offset Amount identified in this Attachment A and in the attached Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.